DRAFT- FOR DISCUSSION PURPOSES ONLY-June 26, 2012

ARTICLE XXI. NEIGHBORHOOD STREET VENDORS

Sec. 16-621. Special Requirements

- (A) Food vendors must have a Maricopa County Food Handlers Permit.
- (B) Equipment must be inspected and approved by the Maricopa County Health Department.

Food vendors shall comply with all applicable Maricopa County Health Department codes, regulations, and other legal authority.

Sec. 16-622. Definitions

The following words, terms and phrases, when used in this article shall have the meanings ascribed to them in this section:

Child: shall mean an individual who has not obtained the age of sixteen years.

Food: shall mean any items intended to be sold for human consumption, the sale of which is not prohibited by law, nor which requires the consumer being of a certain age. Only food items that require no on-site preparation to sell in their ordered state are permitted.

Law enforcement agency: shall mean the Scottsdale Police Department, the county sheriff, any other municipal, county, tribal, state or federal law enforcement agency.

Licensee: shall mean a person who has been issued a license pursuant to the provisions of this article.

Motorized Vehicle: shall mean a vehicle powered by an internal combustion engine or other non-human motivation that is designed to be easily used and maneuvered within the widths of non-divided residential neighborhood streets.

On-Site Preparation: shall mean the application of heat, through a stove, boiling water, microwave oven, or any other manner, that is necessary to serve food in its ordered form.

Person: shall mean a corporation, limited liability company, firm, partnership, association, organization, or any group acting as a unit, as well as an individual.

Residential Neighborhood: shall mean those areas within the City, and outside the Downtown Overlay District, consisting primarily of single family homes and other dwelling places whose property boundaries are accessed using streets that are both non-

divided (non-striped) and not posted for speeds greater than 25 MPH. Single family homes and other dwelling places that lay along any divided streets or streets posted for speeds greater than 25 MPH are not included in this definition.

Sidewalk: shall mean that portion of the public right-of-way between the curbline of a street and the adjacent property line, or, if there is no curbline, the "sidewalk" shall mean that portion of the public right-of-way between the lateral boundary line of the pavement of a street and the adjacent property line, or, if there is no pavement, then "sidewalk" shall mean that portion of the public right-of-way between the lateral boundary line of the demarcated unsurfaced street and the adjacent property line.

Street: shall mean any public right-of-way, such as a road, highway, avenue, boulevard, alley or lane, which is designed primarily to accommodate motorized vehicle travel within the City. It expressly does not include any sidewalk, equestrian easement or trail.

Street Vending: shall mean peddling, vending, selling, displaying, or offering for sale any food item from a motorized vehicle that occurs between the curblines, or, if none, then that portion of the right-of-way between the lateral boundary lines of the demarcated unsurfaced street.

Street Vendor: shall mean any person engaged in Street Vending, including such person's employees, contractors, or agents-however designated.

Sec. 16-623. Other Right-of-Way Sales Restrictions Not Effected

- (A) The prohibition on selling any object in the public right-of-way contained in Section 16-352 remains in full force and effect except as expressly established by this article.
- (B) It is expressly established that "Street Vending", as defined in Sec. 16-622, shall be permitted, solely on Residential Neighborhood streets, and solely in conformity with all requirements contained herein; Street Vending of any food item that requires on-site preparation is not permitted. Sales shall only be made through a Motorized Vehicle's sidewalk-side service window.

Sec. 16-624. Street Vending-License Required; License display; criminal penalty

- (A) It is unlawful to conduct any Street Vending without a license issued pursuant to this article.
- (B) A Street Vendor must display its license at any time it is conducting Street Vending activity.
- (C) A violation of subsection (A) is a class one misdemeanor; a violation of subsection (B) is a petty offense that carries the penalties established in Sec. 16-636, below.

Obtaining a license to conduct Street Vendor activity does not eliminate the independent legal requirement to obtain a Privilege Tax License and report revenue thereunder.

<u>Sec. 16-625.</u> Licensee's Obligation to Refer New Employees, Contractors or Agents for Fingerprinting; Revocation of Street Vendor's License

It is the obligation of the Licensee to ensure that any new employee, contractor or agent, who will be operating in Residential Neighborhoods appears at the Tax and Licensing Office for fingerprinting.

Should any of the above persons be found operating in Residential Neighborhoods without City issued identification cards, the Customer Service Director may revoke the Street Vendor's license.

Sec. 16-626. Time, Duration and Location Restrictions for Street Vendor Activities

<u>Time</u>: No Street Vendor may conduct sales within the City before sunrise or after sunset.

<u>Duration</u>: No Street Vendor may conduct sales at any single street location for more than one hour. Notwithstanding the foregoing, a Street Vendor may remain at the location after sales have concluded in order to safely shut down its operations.

<u>Single Location</u>: Any sales activity conducted at a location within 1320' of any other location used in that same day shall constitute one single location, and the one hour limit shall apply.

<u>School zone restrictions</u>: No Street Vending shall be allowed in the right-of-way within 600' of school property between 7:30AM-4:30PM.

<u>Park vending restrictions</u>: Street Vending is prohibited within city park boundaries at all times, and on streets abutting parks to the extent vending occurs in competition with duly authorized park concessions boundaries.

<u>Traffic restrictions</u>: No Street Vendor vehicle or any extension thereof-such as mirrors, shall obstruct the movement of pedestrians or other vehicles using the street or sidewalk in a Residential Neighborhood. No motor vehicle shall roll up onto the sidewalk of any street bounded by rolled curbs or otherwise block pedestrian sidewalk access.

Repeat use, vendor density requirement: A Street Vendor shall rotate its locations during the week such that it does not operate in any of the same locations in a 48 hour period. In order to provide adequate access for pedestrians and other traffic in the street, no more than two vendors may operate within 1320' of each other.

<u>Non-exclusivity</u>: The granting of a license does not convey any rights to conduct business at any particular location or at any particular time.

<u>Sec. 16-627</u>. License administration, application; timelines; special requirements; disqualification

- (a) The administration of this article, including the duty to proscribe forms, is vested in the City Manager or designee, except as otherwise provided. All persons desiring a license to operate as a Street Vendor shall file an application, prepared by the Tax and Licensing Office and containing all information determined necessary by the Customer Service Director, along with the necessary fee with the Tax and Licensing Office. The police department shall assist in the administration and enforcement of this article.
- (b) Administrative Time Frame: Within fifteen (15) days after receiving a license application under this article, the director will determine whether the application is administratively complete, and notify the applicant as set forth in Article I.
- (c) Substantive Review Time Frame: Within forty-five (45) days after the notice of administrative completion, the city will complete its substantive review of the license application in conformance with state law.
- (d) Overall Time Frame: Within ninety (90) days, subject to any extensions in conformance with state law, after receiving an application pursuant to this article, the director will grant or deny a license.

The time frames provided in this section are suspended if an application has been determined to be administratively incomplete or a supplemental request has been made during the substantive review period until the applicant corrects any deficiencies or responds to a supplemental request for information

- (e) All persons desiring a license to operate as a Street Vendor shall have their photograph and fingerprints taken by approved Tax and Licensing Office locations. Additionally, the applicant shall have all employees, contractors or agents who will be conducting activity in Residential Neighborhoods submit to identifying photography and fingerprint background checks as part of the application.
- (f) All persons desiring a license to operate as a Street Vendor must have reached the age of sixteen (16) prior to any license issuing.
- (g) All persons desiring a license to operate as a Street Vendor shall demonstrate that they have obtained "occurrence" form Commercial Generally Liability insurance with a limit of not less than \$1,000,000 for each occurrence, \$2,000,000 Products and Completed Operations Annual Aggregate, and a \$2,000,000 General Aggregate limit.

- (h) All persons desiring a license to operate as a Street Vendor shall demonstrate that they have obtained Business Automobile Liability insurance with a limit of \$1,000,000 each accident on Licensee's owned, hired, and non-owned vehicles assigned to or used in the activities subject to this license.
- (i) There shall be a total disqualification from licensure if the applicant has ever been convicted for any type of sex offense against children, violence against children or distribution of drugs.
- (j) No license shall issue if applicant maintains employees, contractors, or agents determined to have been convicted for any type of sex offense against children, violence against children or distribution of drugs.
- (k) Proof of a valid driver's license is required for any person who will be operating a Motorized Vehicle under this Article.
- (1) The Street Vendor license is non-transferable.
- (m) The applicant must be a United States citizen or lawful permanent resident alien or an alien who is authorized to work by the government of the United States.
- (n) The applicant must not have been convicted of a criminal offense that would be grounds for denial of the application, as provided in article I of this chapter.

Sec. 16-628. Fingerprints; background investigation

All applicants, employees, contractors, and agents required to be fingerprinted pursuant to this article shall personally appear at a city office or law enforcement agency approved by the Customer Service Director for the purpose of being fingerprinted and pay applicable fingerprinting fees. Applicable fees shall not exceed \$40.00 and shall include the actual cost of obtaining the criminal history information from the Arizona Department of Public Safety.

The Scottsdale Police Department shall conduct a background investigation of the applicant, employee, contractor, or agent and shall advise the Customer Service Director of the findings of such investigation within the period allowed to the director to issue or deny the license.

Sec. 16-629. License Fees and costs; photos

Before any Street Vendor license will issue, Applicant shall pay an application fee of \$100.00.

City's direct costs for any and all fingerprinting and photo identification of persons required to be investigated will be recovered from applicant, employee, contractor, or agent prior to any original license issuing. Photos must be taken at the City's Tax and

Licensing Office and are incorporated into a laminated badge. The combined cost of photograph and badging is \$10.00.

Sec. 16-630. License issuance; renewal; fees; limitation on renewal

The Street Vendor License is valid for a one year period from the issuance date. A renewal fee of \$50.00 is required if the licensee desires to continue operating. The failure to file an application for renewal sixty (60) days in advance of expiration will result in a late filing penalty of \$30.00 being imposed.

No Street Vendor License renewal shall issue if any Licensee, employee, contractor, or agent of Licensee who will be engaged in activity in Residential Neighborhoods could not otherwise qualify for an initial license in their own right. All Licensees, employees, contractors, and agents who were required to be previously fingerprinted pursuant to this article must resubmit fingerprints annually at the time of renewal. All new employees, contractors, or agents must submit to fingerprinting and background checks and obtain City issued photo identification.

The time frames specified in section 16-627 shall also be applicable to license renewals.

Sec. 16-631. License Denial

- (A) In addition to special criteria contained in this article, the director shall not accept an application for Street Vendor license if:
- (1) The application is incomplete.
- (2) The application shows that the applicant or any listed employee, contractor, or agent has been convicted of criminal action that would be grounds for denial of the application under article I of this chapter.
- (3) The director has actual knowledge that the applicant or any listed employee, contractor, or agent has been convicted of criminal action that would be grounds for denial of the application under article I of this chapter.
- (4) The director has actual knowledge that the applicant or any listed employee, contractor, or agent has an outstanding arrest warrant issued by any jurisdiction within the United States.
- (B) In addition to special criteria contained in this article, the director shall deny a license if:
- (1) All requirements for the application have not been completed.

- (2) The applicant is a corporation which is not qualified to transact business in Arizona.
- (3) The applicant is delinquent in the payment to the City of any taxes, fees, fines, or penalties imposed upon the applicant, or arising out of any other business activity owned or operated by the applicant and licensed by the City.
- (4) The applicant is in violation of any applicable provisions of ordinances and regulations or the City, including article I of this chapter, relating to the business or occupation to be conducted under the license.
- (5) The applicant, employee, contractor or agent has been convicted of a criminal offense that would be grounds for denial of the application under article I of this chapter.

Sec. 16-632. Revocation

Any original or renewal license issued pursuant to this article may be subsequently revoked for any of the grounds contained herein, or any grounds provided in article I of this chapter.

Sec. 16-633. Review and Appeals.

Any person aggrieved by any decision regarding either the denial of or a refusal to issue the license, or the revocation of the license subject to this article, shall be entitled to the review and appeal procedures provided in article I of this chapter.

Sec. 16-634. Special Rules Applicable to Street Vending Operations.

It shall be unlawful for Street Vendors to operate if not in compliance with the following:

- (A) "Watch For Children" signage affixed on the front and rear of the vehicle. Letters must be at least 3" in height, clearly visible, and contrast with vehicle color.
- (B) Wide angle mirrors adjusted to clearly see the areas surrounding the front and rear of the vehicle. Vehicle shall also have mirrors adjusted to clearly see areas on driver (street) side and sales window (sidewalk) side of the vehicle.
- (C) City's Neighborhood Street Vendor license number displayed on vehicle. Lettering requirements stated in (A) apply.
- (D) City's Tax and License phone number displayed on vehicle. Lettering requirements stated in (A) apply.
- (E) Hazard lights must be on when vehicle is stopped and conducting sales.

(F) Street Vendor provides City with phone number at which driver can be contacted at all times.

Sec. 16-635. Music and Noise restrictions

Yelling, shouting, hawking, or similar vocalizations are not allowed at any time. Loudspeakers, drums, sirens, and other attention getting devices are not allowed.

The above restrictions do not apply to pleasing melodies played in Residential Neighborhoods by motorized vehicles only while such vehicles are in motion.

Sec. 16-636. Penalties.

- (A) Except as otherwise provided, a first violation of any requirement or prohibition in this article shall be a petty offense.
- (B) Except as otherwise provided, second or subsequent violations of any requirement or prohibition in this article within two years shall be class two misdemeanors with a mandatory minimum fine of \$75.